

Weichert Relocation UK Limited

Report and Accounts
December 31, 2004



WEICHERT RELOCATION UK LIMITEDDirectors

A Minnetian
J Stiff (Appointed January 4, 2006)

Secretary

T J G Secretaries Limited

Auditors

Davison and Shingleton
Boundary House
91-93 Charterhouse Street
London
EC1M 6HR

Bankers

Wachovia Bank, N.A.
London Branch
3 Bishopsgate
London
EC2N 3AB

Barclays Bank Plc
14A The Broadway
Thatcham
Newbury
Berkshire
RG19 3HY

Solicitors

DLA Piper Rudnick Gray Cary
3 Noble Street
London
EC2V 7EE

Registered Office

Carmelite
50 Victoria Embankment
Blackfriars
London
EC4Y 0DX

Company Number

04285569

WEICHERT RELOCATION UK LIMITEDDIRECTORS' REPORT

The directors present their report and accounts for the year ended December 31, 2004.

Results and dividends

The trading loss for the year, after taxation, amounted to £706,340 (2003 : loss £187,944).

The directors do not recommend the payment of a dividend.

Principal activity

The company's principal activity during the year continued to be that of relocation and assignment management services.

Acquisition

With effect from January 1, 2004 the company purchased the business and assets and liabilities of the UK Branch of Relocation Resources Inc., a fellow subsidiary undertaking at their net book value of £293,586 (see note 9).

Review of the business

The year's trading continued to be disappointing despite the acquisition of the business of the UK Branch of Relocation Resources Inc.. This resulted from the continued loss of key accounts during the year with the company having an infrastructure built to support a significantly higher level of turnover to that achieved during the year. Weichert Relocation Company Inc. (which changed its name to Weichert Relocation Resources Inc. on January 1, 2004) continues to provide financial support to the company.

Director and his interests

The only director who served during the year was A Minnetian.

There are no director's interests requiring disclosure under the Companies Act 1985.

Statement of directors' responsibilities in respect of the accounts

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

WEICHERT RELOCATION UK LIMITEDDIRECTORS' REPORT

(continued)

The directors confirm that the accounts comply with the above requirements.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

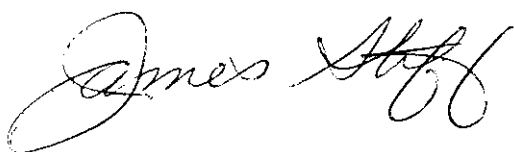
Charitable contributions

The company made charitable donations totalling £1,550 (2003 : £Nil) during the year.

Small company provisions

The above report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to read 'James Stiff', written in a cursive style.

J Stiff
Director

January 30, 2006



**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF
WEICHERT RELOCATION UK LIMITED**

We have audited the accounts of Weichert Relocation UK Limited for the year ended December 31, 2004 which comprise the profit and loss account, the balance sheet, the statement of total recognised gains and losses and the related notes. These accounts have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report or for the opinions we have formed.

Respective responsibilities of director and auditors

As described in the statement of directors' responsibilities the company's directors are responsible for the preparation of the accounts in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the accounts, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the director in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.



INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF
WEICHERT RELOCATION UK LIMITED

(continued)

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at December 31, 2004 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Davison and Shingleton
Registered Auditor

January 30, 2006

WEICHERT RELOCATION UK LIMITEDPROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2004

	<i>Notes</i>	<i>Year ended December 31, 2004 £</i>	<i>Year ended December 31, 2003 £</i>
Turnover	2	809,206	349,059
Cost of sales		(300,012)	(273,371)
Gross profit		509,194	75,688
Administrative expenses		(1,218,053)	(266,194)
Operating loss	3	(708,859)	(190,506)
Bank interest receivable		2,519	2,562
Loss on ordinary activities before taxation		(706,340)	(187,944)
Tax on ordinary activities		-	-
Loss for the financial year	8	(706,340)	(187,944)
Deficit brought forward	8	(218,634)	(30,690)
Deficit carried forward	8	£(924,974)	£(218,634)

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED DECEMBER 31, 2004

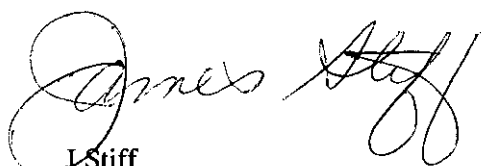
There are no recognised gains or losses other than the loss attributable to the shareholders of the company of £706,340 in the year ended December 31, 2004 and £187,944 in the year ended December 31, 2003.

WEICHERT RELOCATION UK LIMITEDBALANCE SHEET AT DECEMBER 31, 2004

	<i>Notes</i>	2004 £	2003 £
Fixed assets:			
Tangible assets	4	101,574	1,165
Current assets:			
Debtors	5	166,938	98,610
Cash at bank and in hand		325,612	252,344
		<u>492,550</u>	<u>350,954</u>
Creditors: amounts falling due within one year	6	(272,259)	(46,282)
		<u>220,291</u>	<u>304,672</u>
Net current assets			
Total assets less current liabilities		<u>321,865</u>	<u>305,837</u>
Creditors: amounts falling due after more than one year:			
Amounts due to group companies	14	(1,245,839)	(523,471)
		<u>£(923,974)</u>	<u>£(217,634)</u>
Capital and reserves:			
Called up share capital	7	1,000	1,000
Profit and loss account	8	(924,974)	(218,634)
Shareholders' funds	8	<u>£(923,974)</u>	<u>£(217,634)</u>

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Approved by the Board on January 30, 2006
and signed on its behalf by


J Stiff
Director

WEICHERT RELOCATION UK LIMITEDNOTES TO THE ACCOUNTS AT DECEMBER 31, 20041. Accounting policiesAccounting convention

The accounts are prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards and the Financial Reporting Standard for Smaller Entities (effective June 2002).

Depreciation

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost of each asset evenly over its expected useful life, as follows:

Computer and office equipment	-	over 3 years
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The carrying value of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Leasing and hire purchase commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Pensions

The company makes contributions to employees' personal pension schemes at rates agreed with the individuals. These contributions are charges to the profit and loss account as they become payable.

Deferred tax

Deferred tax is provided using the liability method calculated at the tax rates that are expected to apply in the periods in which the timing differences reverse. Deferred tax assets are only recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

2. Turnover

Turnover represents the amounts derived from the provision of goods and services which fall within the company's ordinary activities, all of which are continuing, stated net of value added tax.

WEICHERT RELOCATION UK LIMITEDNOTES TO THE ACCOUNTS AT DECEMBER 31, 2004

(continued)

3. Operating loss

	<i>Year ended December 31, 2004</i>	<i>Year ended December 31, 2003</i>
	£	£
This is stated after charging:		
Auditors' remuneration	10,500	4,340
Depreciation	530	388
Operating lease rentals	62,800	-
	<u> </u>	<u> </u>

4. Tangible fixed assets

	<i>Computer and office equipment</i>	<i>Total</i>
	£	£
Cost:		
At January 1, 2004	1,553	1,553
Additions	100,939	100,939
	<u> </u>	<u> </u>
At December 31, 2004	102,492	102,492
	<u> </u>	<u> </u>
Depreciation:		
At January 1, 2004	388	388
Provided during the year	530	530
	<u> </u>	<u> </u>
At December 31, 2004	918	918
	<u> </u>	<u> </u>
Net book value:		
At December 31, 2004	£101,574	£101,574
	<u> </u>	<u> </u>
At January 1, 2004	£1,165	£1,165
	<u> </u>	<u> </u>

WEICHERT RELOCATION UK LIMITEDNOTES TO THE ACCOUNTS AT DECEMBER 31, 2004

(continued)

5. Debtors

	2004	2003
	£	£
Trade debtors	92,270	53,024
Other debtors	42,288	999
Prepayments and accrued income	32,380	44,587
	<u>£166,938</u>	<u>£98,610</u>

6. Creditors: amounts falling due within one year

	2004	2003
	£	£
Other taxes and social security costs	110,453	1,319
Accruals and deferred income	161,806	44,963
	<u>£272,259</u>	<u>£46,282</u>

7. Share capital

	<i>Authorised</i>		<i>Allotted, called up and fully paid</i>	
	2004	2003	2004	2003
	No.	No.	£	£
Ordinary shares of £1 each	1,000	1,000	£1,000	£1,000
	<u>1,000</u>	<u>1,000</u>	<u>£1,000</u>	<u>£1,000</u>

WEICHERT RELOCATION UK LIMITEDNOTES TO THE ACCOUNTS AT DECEMBER 31, 2004

(continued)

8. Reconciliation of shareholders' funds and movements on reserves

	<i>Share capital £</i>	<i>Profit and loss account £</i>	<i>Total shareholders' funds £</i>
Balance at December 31, 2002	1,000	(30,690)	(29,690)
Loss attributable to members of the company	-	(187,944)	(187,944)
	-----	-----	-----
Balance at December 31, 2003	1,000	(218,634)	(217,634)
Loss attributable to members of the company	-	(706,340)	(706,340)
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Balance at December 31, 2004	<u>£1,000</u>	<u>£(924,974)</u>	<u>£(923,974)</u>

9. Acquisition

With effect from January 1, 2004 the company purchased the business and assets and liabilities of the UK Branch of Relocation Resources Inc. from a fellow subsidiary at their net book value of £293,586. The net book value of the assets and liabilities acquired was as follows:

	<i>£</i>
Current assets:	
Trade debtors	350,960
Prepayments and accrued income	72,685
Cash	61,905

	485,550

Current liabilities:	
Trade creditors	135,757
Other taxes and social security costs	12,878
Bank overdraft	43,329

	191,964

Net current assets acquired	<u>£293,586</u>

WEICHERT RELOCATION UK LIMITEDNOTES TO THE ACCOUNTS AT DECEMBER 31, 2004

(continued)

10. Pension commitments

The company has made pension contributions to employees' personal pension schemes that do not form part of the company's assets. During the year contributions payable amounted to £19,812 (2003 : £Nil).

11. Other financial commitments

At December 31 the company had annual commitments under non-cancellable operating leases as set out below:

	<i>Land and buildings</i>		<i>Other</i>	
	2004	2003	2004	2003
	£	£	£	£
Operating leases which expire:				
Within two to five years	£61,000	£Nil	£1,800	£Nil
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

12. Capital commitments

Amounts contracted but not provided for in the accounts amounted to £64,665 (2003 : £Nil).

13. Charitable contributions

During the year the company made charitable contributions to Cancer Research of £1,550 (2003 : £Nil).

14. Related party transactions

During the year Weichert Relocation Resources Inc., the parent company, advanced sums of £722,368 to the company (2003 : £239,946) to provide working capital. At December 31, 2004 an amount of £1,245,839 (2003 : £523,471) was due from the company to Weichert Relocation Resources Inc..

15. Parent undertaking and controlling party

The company's parent undertaking is Weichert Relocation Resources Inc. (which changed its name from Weichert Relocation Company Inc. on January 1, 2004), a company incorporated in the United States of America. Copies of these group financial statements are not available to the public. The ultimate controlling party is J M Weichert.